

**June 15, 2004**

# **Montana Medicaid Notice**

## **Pharmacy Providers**

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### **Coordination of Benefits**

The following policies are effective immediately.

#### **Medicare approved drug discount card**

Montana Medicaid and the Mental Health Services Plan (MHSP) will NOT require coordination of benefits with the Medicare Approved Drug Discount Cards. In some cases, Dual-Eligible clients (clients who qualify for both Medicare and Medicaid or MHSP) will receive a \$600 credit in conjunction with the Medicare Approved Drug Discount Card. In cases where the client presents both their Medicaid ID card and a Medicare Approved Drug Discount card, bill either Medicaid or Medicare, not both. The Department's policy is for providers to utilize the Medicare Approved Drug Discount Card's \$600 credit first.

#### **Medicaid approved other coverage code valid values**

The following valid values are authorized in accordance with their scope when providing coordination of benefits for medicaid clients where a Third Party Liability (TPL) edit has posted when filing Point of Sale Claim in NCPDP 5.1: Field 308-C8 (Other Coverage Code)

- **Other Coverage Code "2"** – Other Coverage Exits - Payment Was Collected.
  - Mt Medicaid will reimburse at the lesser of pricing methodology.
- **Other Coverage Code "3"** – Other Coverage Exits – this claim is not covered.
  - Service billed is outside of the clients scope of coverage.
  - Client may have exceeded their annual Benefit limit.
  - Claim not covered by primary insurance.
- **Other Coverage Code "4"** – Other Coverage Exits – payment not collected.
  - Used to communicate the following authorized reasons for non-payment.
    - Client front-end deductible or 100% of co-pay responsibility.
    - Client's primary adjudicates claims by paper.
    - As authorized by the Medicaid Pharmacy Program Officer.
- **Other Coverage Code "6"** – Other Coverage Denied – not a participating provider.
  - Used to communicate instances where the primary insurer denies coverage because the dispensing provider is not a part of the network or
  - The prescribing provider is not part of the network.

- **Other Coverage Code “7”** – Other Coverage Exists – not in effect at time of service.
  - Used to communicate instances where the primary insurer denies coverage because the policy is no longer in effect on the date of service.

Further information regarding coordination of benefits can be found in the following: *General Information for Providers* manual, the *Prescription Drug Program* manual and Provider Notices.

## **Contact Information**

Any questions regarding this notice can be directed to Dan Peterson at (406) 444-2738. For claims questions or additional information, contact Provider Relations:

**Provider Relations in Helena and out-of-state: (406) 442-1837**

**In-state toll-free: 1-800-624-3958**

Visit the Provider Information website:

**<http://www.mtmedicaid.org>**